(c) By developing tourism related infrastructure, the rich art, craft and cultural heritage of various rural sites as well as capacity building of the rural community is promoted so that the benefits of tourism percolates down to rural areas.

Budget tourist hotels

1610. SHRI DARA SINGH:
SHRI RAMDAS AGARWAL:
SHRI PRAVEEN RASHTRAPAL:

Will the Minister of TOURISM be pleased to state:

(a) whether the domestic and foreign tourists visiting India are experiencing great difficulties in locating suitable accommodation at places/ cities of tourists interest in the country; and

(b) if so, what steps Government have taken so far to make available middle/higher class budget tourist hotels, keeping in view the ensuing Commonwealth Games to be held in 2010, indicating the budgetary allocations made in this regard during 2007—10?

THE MINISTER OF TOURISM (SHRIMATI AMBIKA SONI): (a) There is some accommodation shortage at a few metro centres. Nevertheless there has been 13.2% growth in foreign and 18.9% in domestic tourists.

(b) Construction of hotels is primarily a private sector activity and the Ministry of Tourism extends facilitation. Ministry of Tourism is in regular touch with the various Land Owning Agencies like Railways, Ministry of Civil Aviation, DDA, Ministry of Urban Development and State Land Owning Agencies etc. for identifying additional hotel sites. Ministry of Tourism estimates that 30,000 additional hotel rooms will be required in the city of Delhi and the NCR to meet the requirement of Commonwealth Games 2010. A budgetary allocation of Rs. 10 crore has been proposed for the year 2007-08 under the head "Creation of Land bank for Hotels". Minister of Finance in his budget proposal 2007-08 has announced Tax Holiday for 5 years for hotels of budget category in the city of Delhi and some selected adjoining districts to promote investment in the hotel sector. Ministry of Tourism also offers Capital Subsidy of 10% of the loan to promote budget category hotels in the country. The outlay for 2007-08 under this head is Rs. 20 crore.